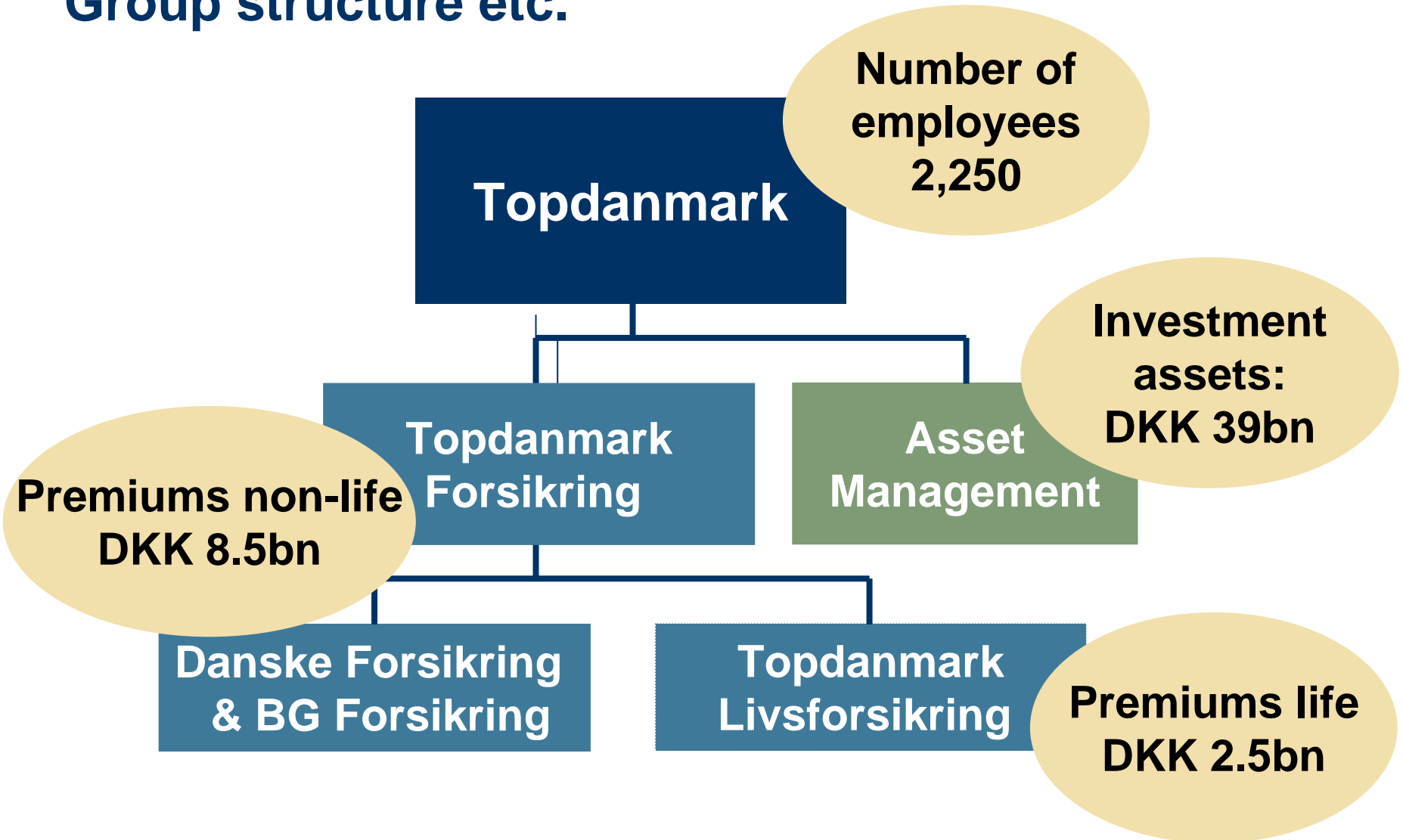


SEB Enskilda

Nordic Small & Mid Cap Seminar

By Poul Almlund, CEO

Group structure etc.



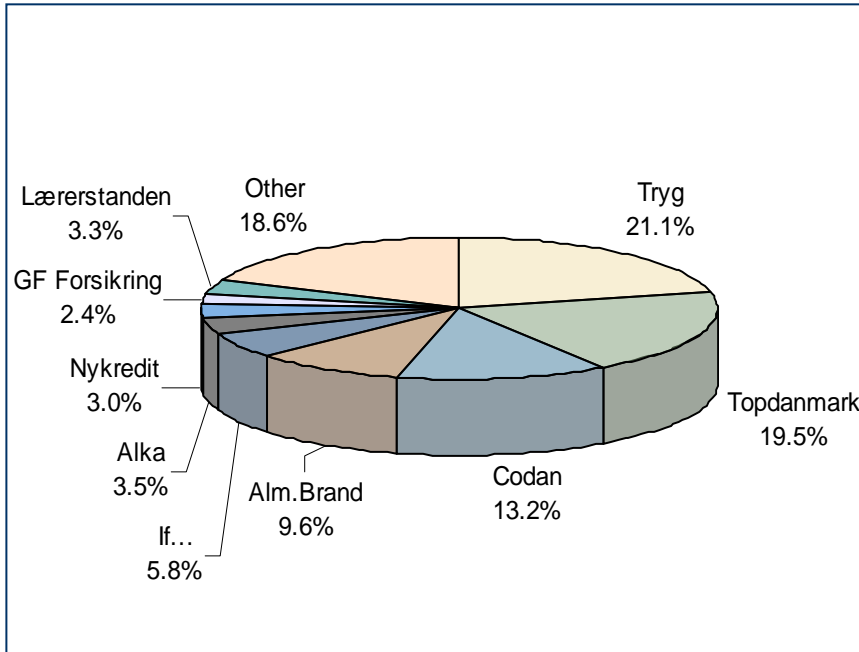
Share profile

Clearly focused strategy

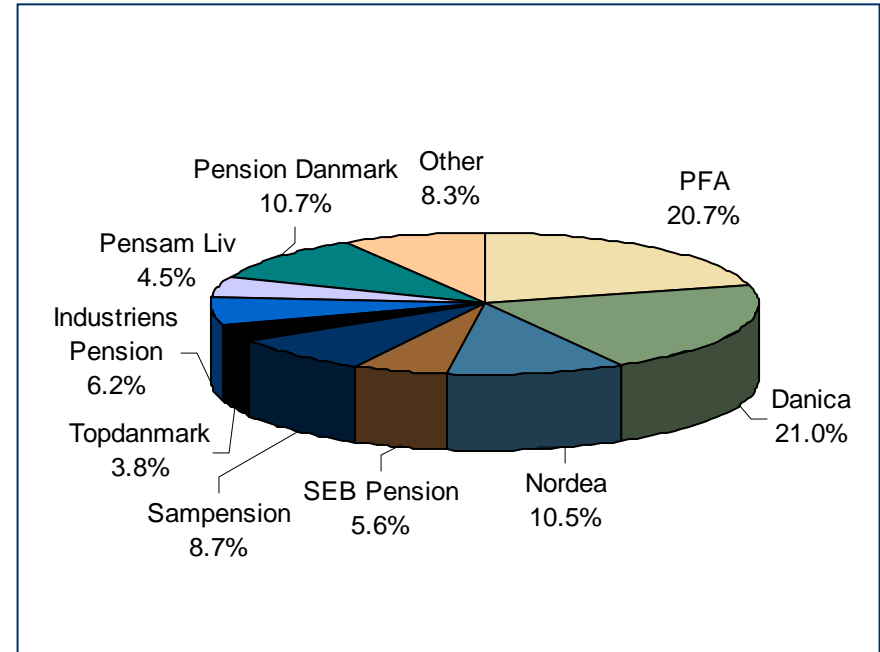
- **Danish player**
- **An insurance share - not an investment trust**
- **Stable insurance risks**
- **Relatively limited top line growth in non-life – higher in life**
- **High cash flow**
- **Large share buy-back programme**

Market share

Market share in non-life 2005



Market share in life 2005



Highlights

Q1 - Q3:

- Post-tax profit increased 44.1% to DKK 1,167m
- Profit per share increased 50.5% to DKK 60.2
- 5.3% premium growth in non-life and 27.0% in life
- 27.7% post-tax ROE (38.5% annualised)
- Expense ratio declined 0.4 pp to 14.4
- Combined ratio declined from 92.1 to 85.8

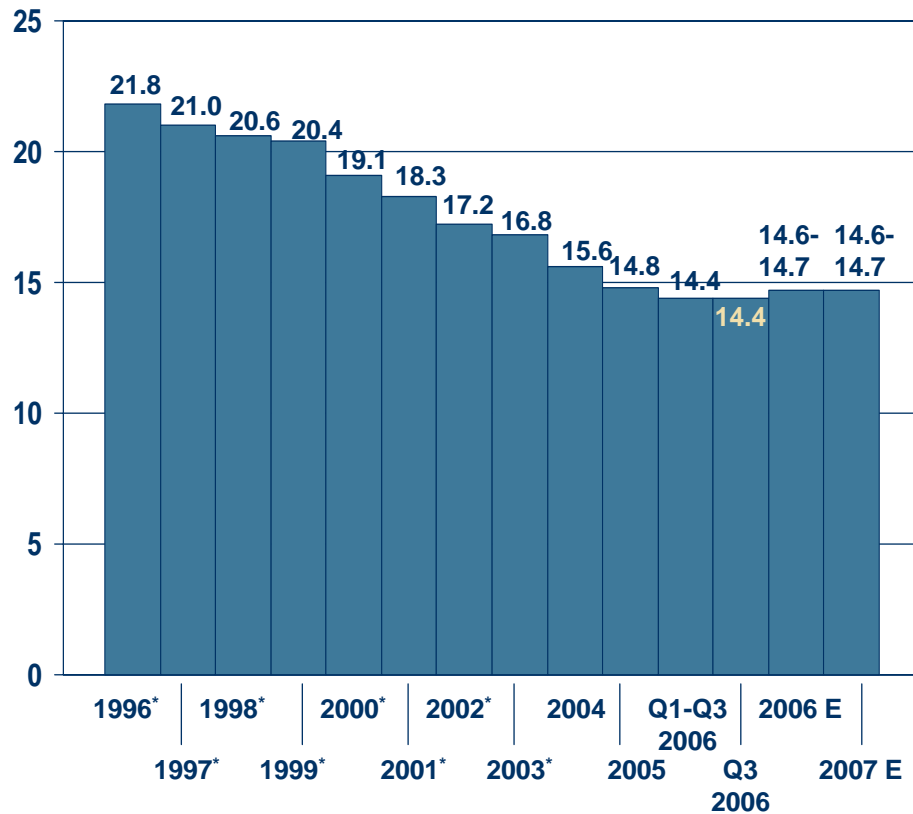
Upgraded prospects for 2006:

- Expected combined ratio unchanged at around 87
- Upgraded profit forecast from not less than DKK 1,350 - 1,450m to 1,450 - 1,550m
- Upgraded share buy-back programme from at least DKK 1,550m to DKK 1,650m

Unchanged prospects for 2007:

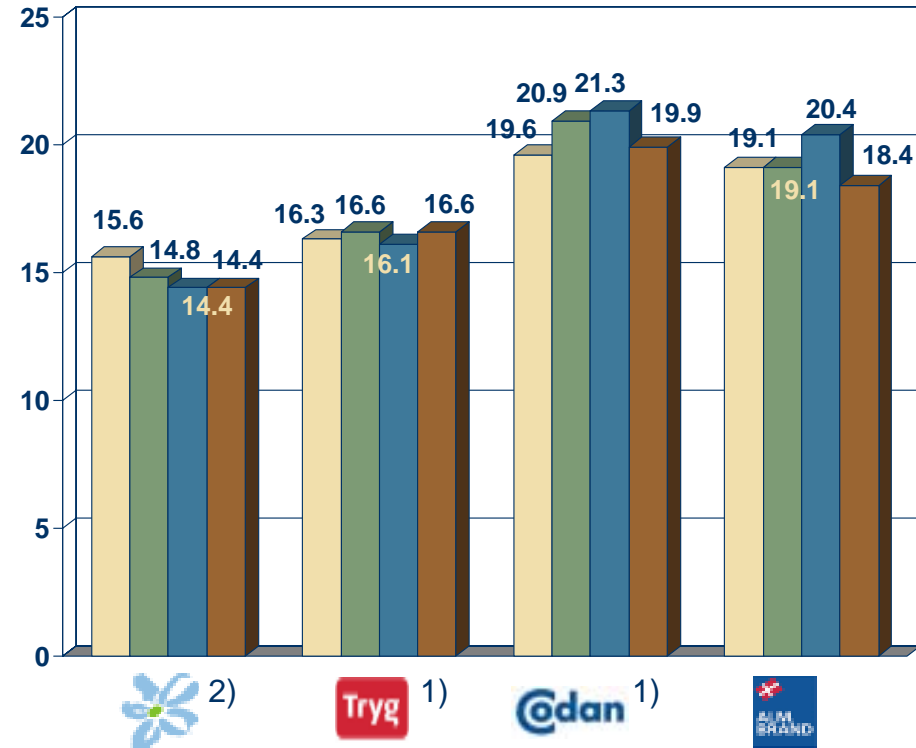
- Expected combined ratio of just over 88
- Expected non-life premium growth of 2%

Declining expense ratio in Topdanmark



*Reduced by estimated IFRS effect 1996 - 2003

Topdanmark has the lowest expense ratio among the major Danish insurance companies

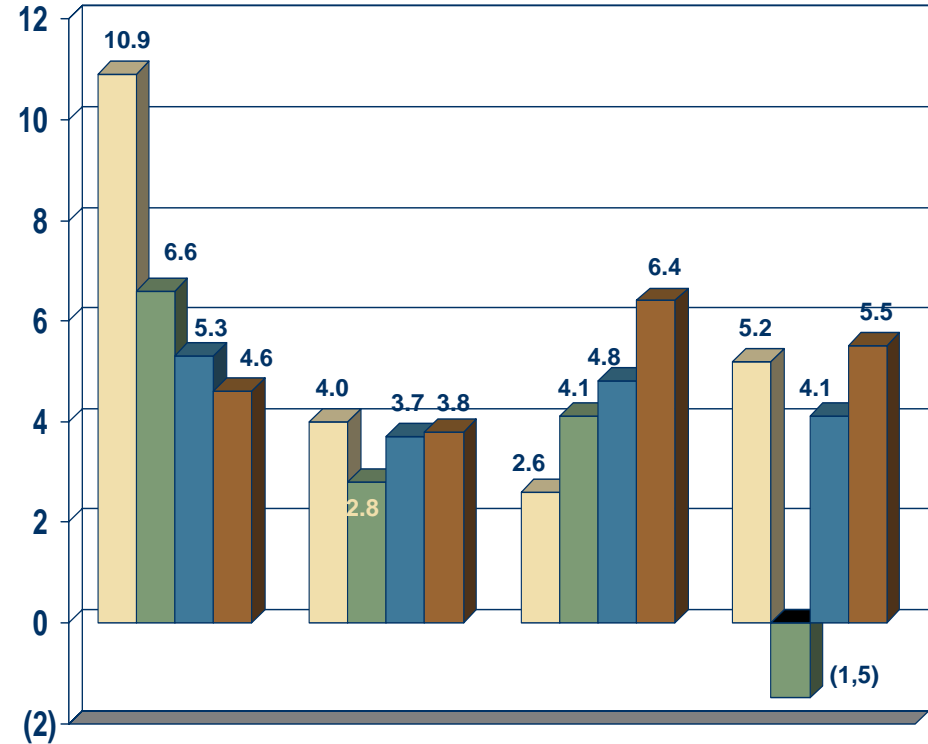
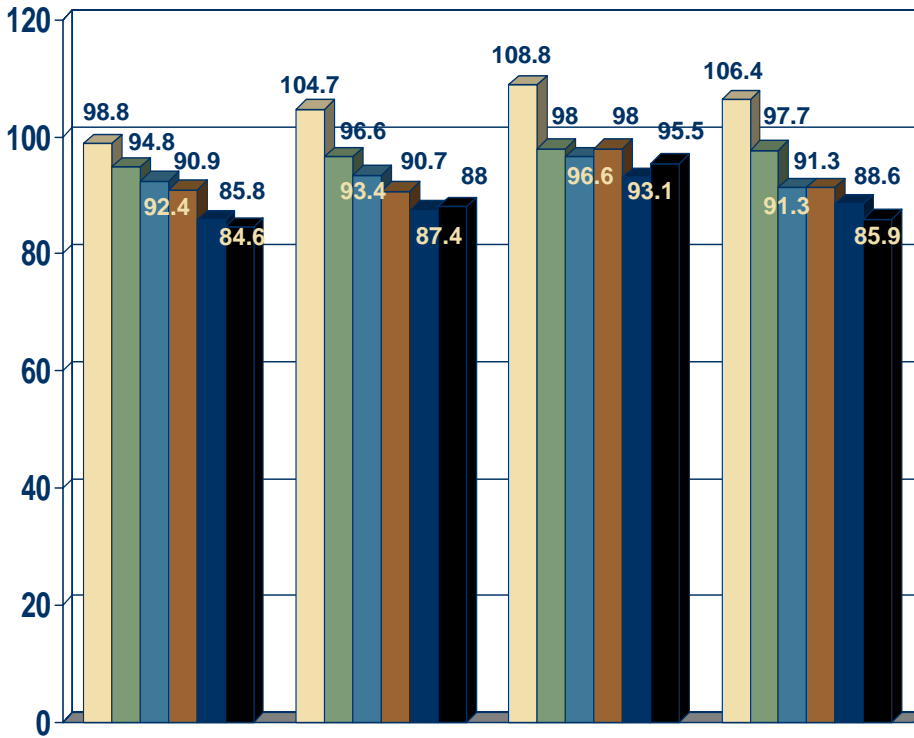


1) Rent from owner-occupied properties not included in expense ratio

2) Excl. rent from owner-occupied properties, the expense ratio would be 0.4 pp lower

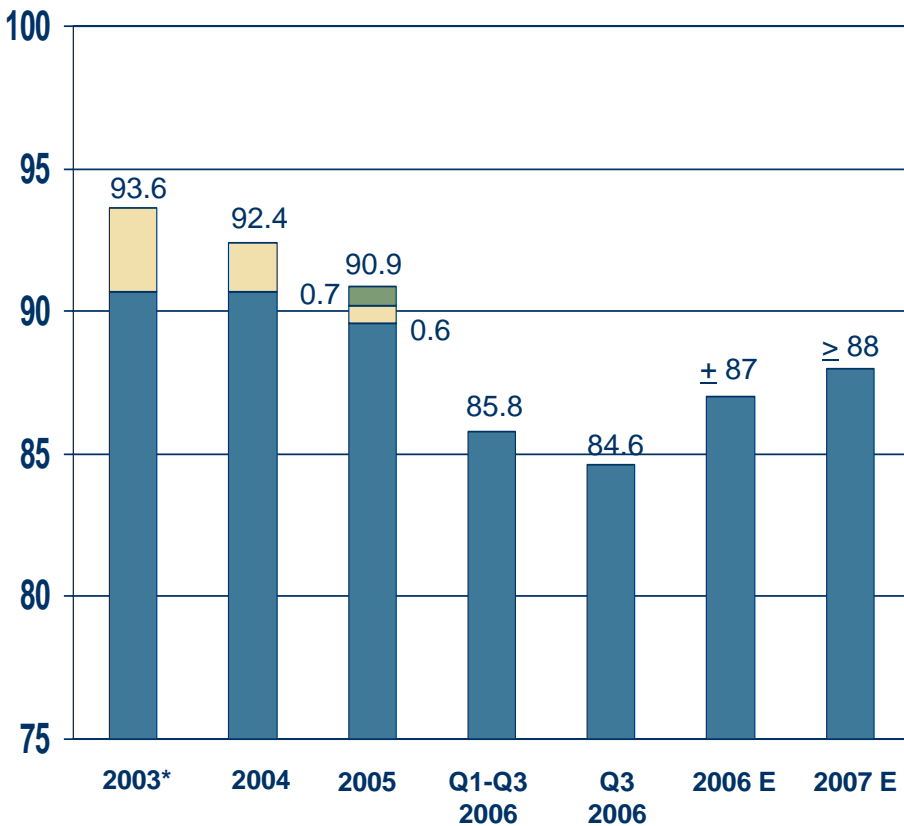
Topdanmark has the lowest CR (Danish insurance)

Comparison of premium growth (Danish insurance)



- 1) Rent from owner-occupied properties not included in expense and loss ratios
- 2) Excl. discounting of claims provisions
- 3) Excl. rent from owner-occupied properties, the CR would be 0.6 pp lower

Expecting continued low CR

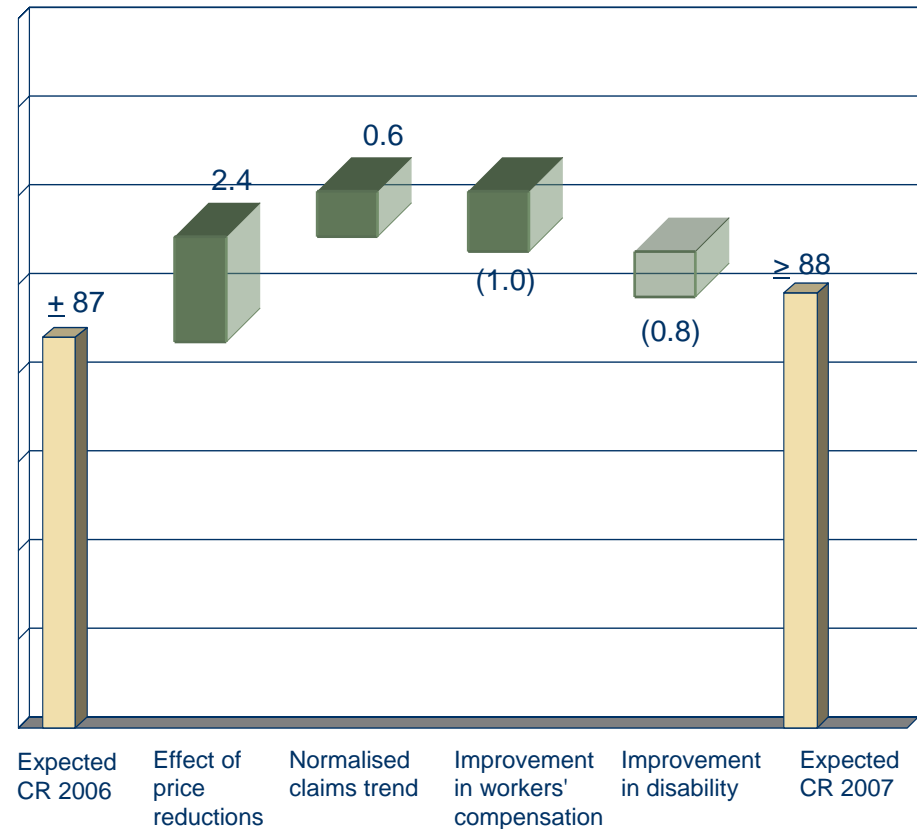


 Strengthening of provisions

 January storm adjusted to a normalised level

 Combined ratio

*2003 reduced by estimated IFRS effect



New car insurance - cheaper and better

Improvements

- Changed geographical areas
- Less steep bonus ladder
- Smaller price difference between the vehicle groups
- Discount for customers aged over 50

} Risk-based improvements

Mileage rating

} Risk-based adjustments

Prices

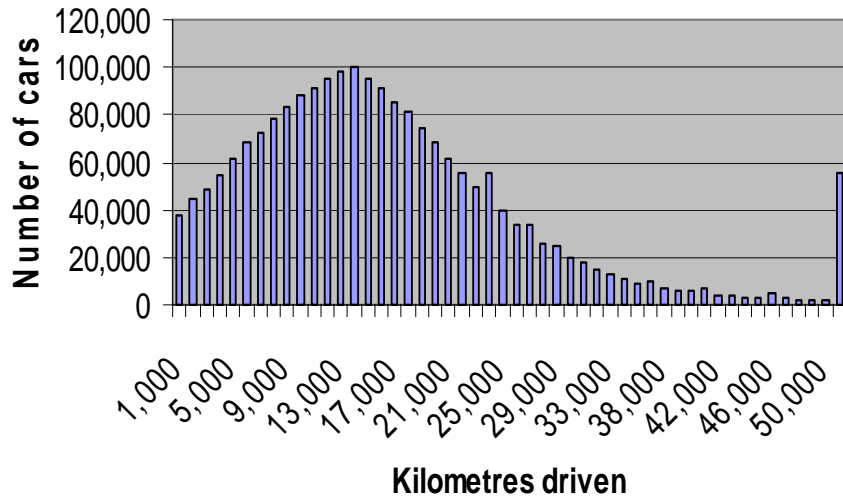
- Three out of four of Topdanmark's car insurance customers will pay lower premiums
- Highly competitive product – particularly for passenger cars with low annual kilometres driven

Rewriting of existing customers' policies

- Ongoing transfer of existing customer portfolios to new rating
- Average price reduction of 10% ~ just over DKK 200m

Mileage rating

Number of cars by kilometres driven

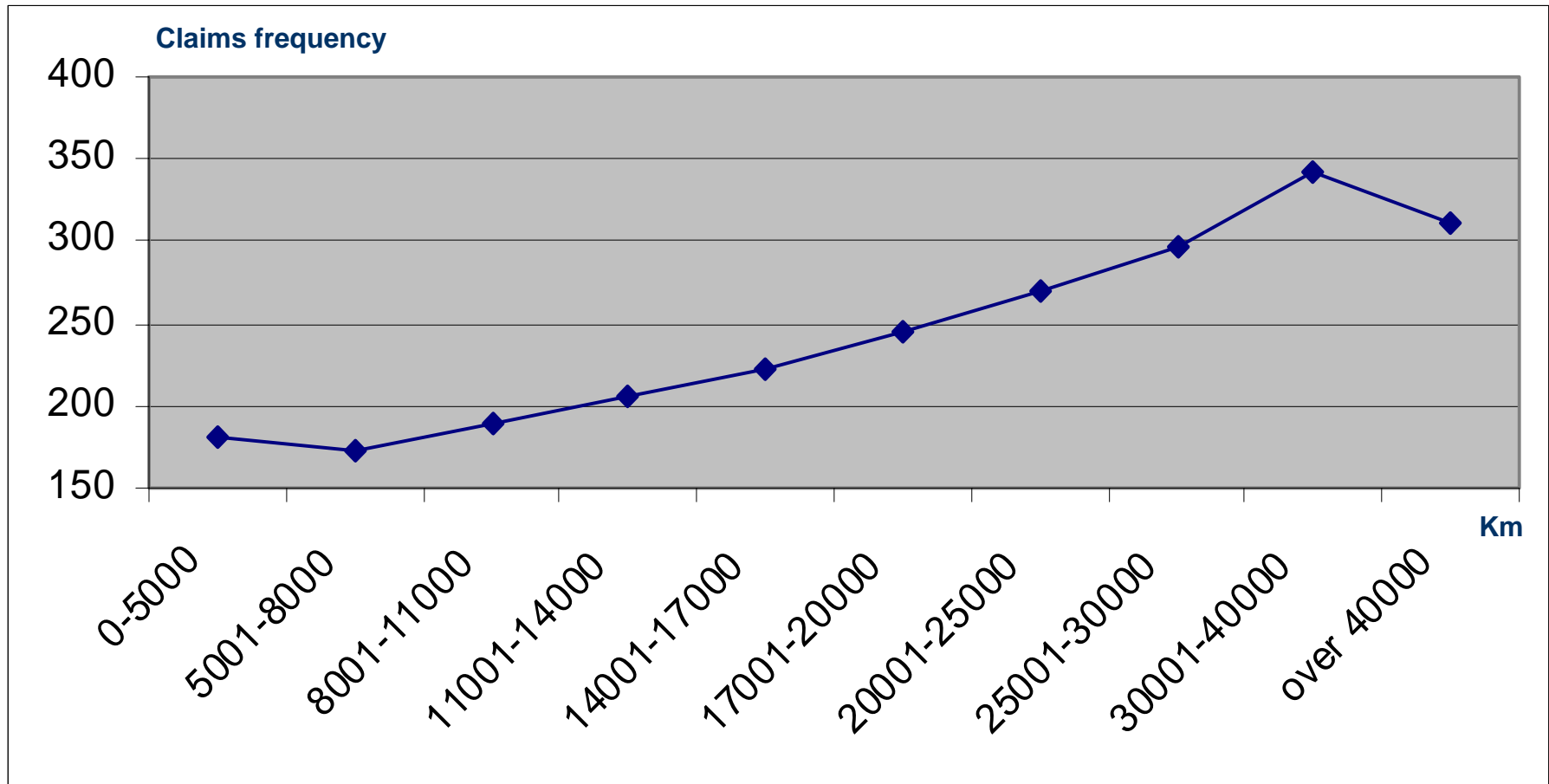


Relatively finely meshed intervals

- 0 - 8,000 km
- 8,001 - 14,000 km
- 14,001 - 20,000 km
- 20,001 - 26,000 km
- 26,001 - 32,000 km
- over 32,000 km

Price gap of 8%
between each
interval

Close relationship between claims frequency and kilometres driven



Prospects in non-life insurance

- Intensified competition based on distribution, customer service, staffing and price

2006

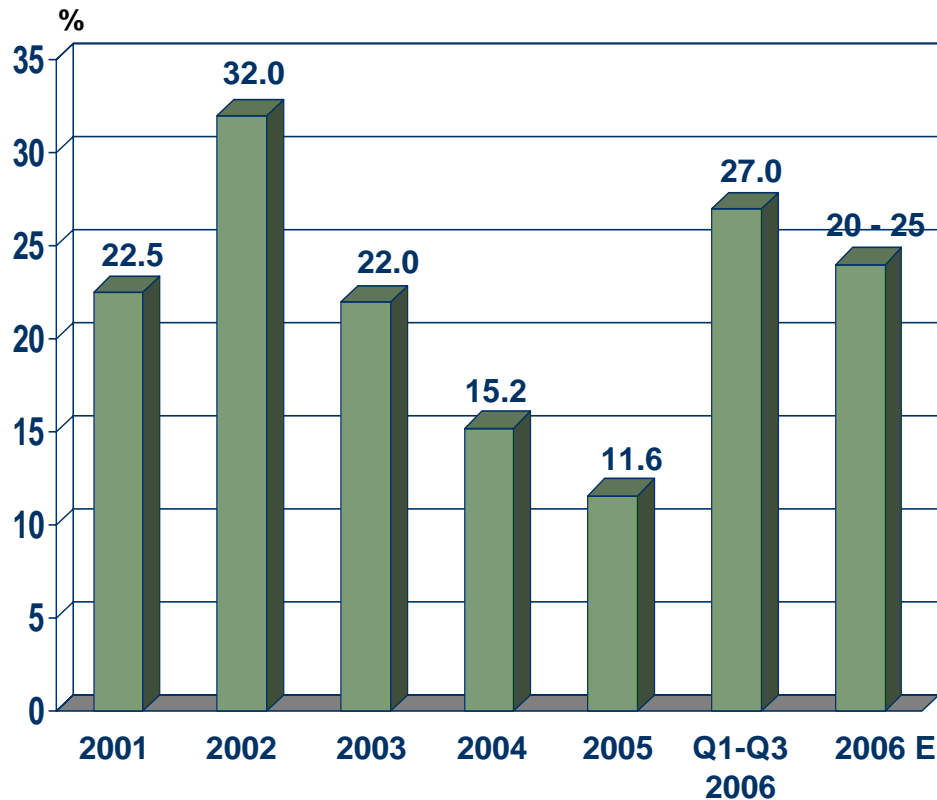
- Continued expected premium growth of just below 5%
 - Premium growth expected to gradually decline throughout the year
 - Expected premium growth of just below 5% is considered to exceed market growth

2007

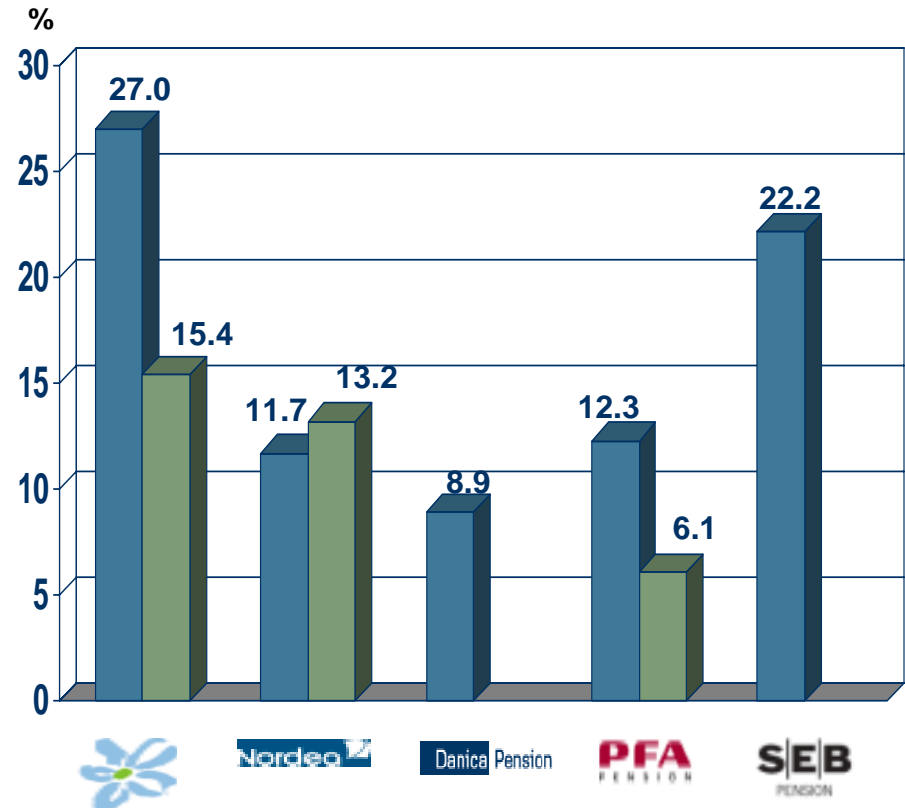
- Continued expected premium growth of around 2%
 - In spite of price reductions
- This is expected to be in line with market growth
 - 2.9% automatic premium indexation in most areas
 - Premium growth expected to be affected by price competition in Industrial, Agricultural and Personal lines

Continued high premium growth

Premium growth, gross premiums



Comparison of premium growth Q1-Q3 2006

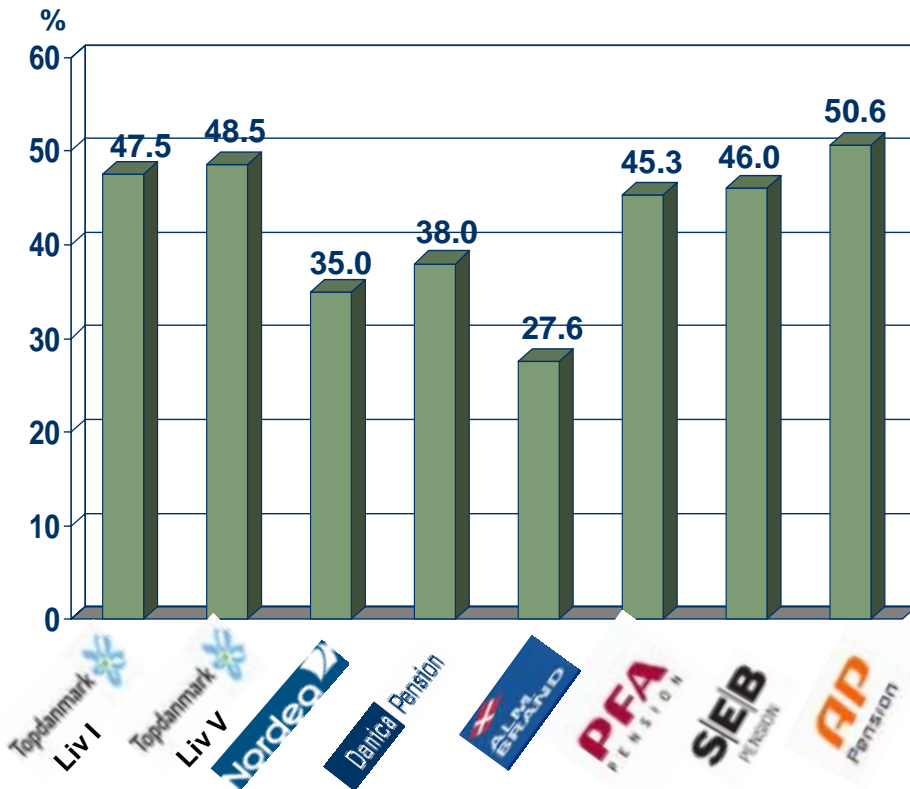


Overall premiums

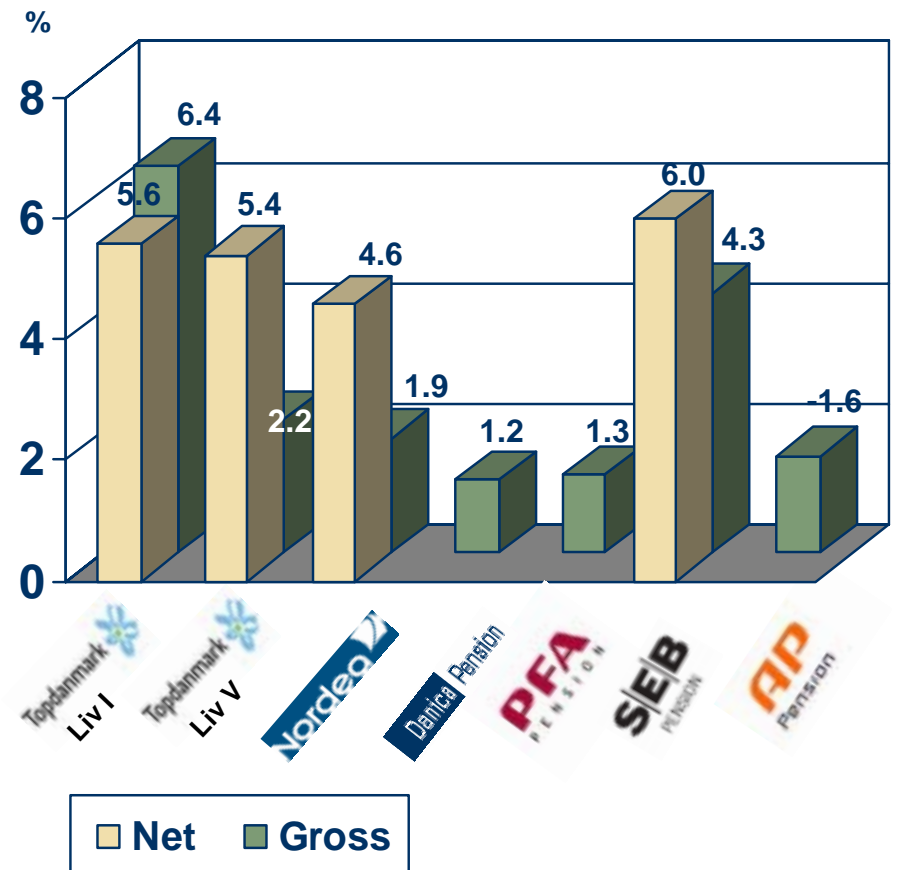
Regular premiums

High net return for Topdanmark's pension customers

Accumulated investment return 2002 - H1 2006



Comparison of net and gross returns Q1 - Q3 2006



Prospects in life insurance

- Expected overall premium growth in 2006 adjusted from 25 - 30% to 20 - 25%
- Unchanged expected growth of 10 - 15% in regular premiums in 2006
- Bonus ratio of 11.0% in Liv I, one of the highest of the market
- 5% rate of interest on policyholders' savings in Liv I in 2006 and 5.5% in 2007
 - Most other market players: 4.5%
- Topdanmark has Denmark's most satisfied life customers
- Increased penetration into large businesses
- New market interest rate product introduced - Profile Pension
 - Expecting increasing proportion of new business in Profile Pension
 - Lower solvency requirement on Profile Pension than on guaranteed products

Upgrading of 2006 profit forecast (1/2)

- In announcement No. 15/2006 on 6 Nov 2006, the post-tax profit forecast was upgraded by a minimum of DKK 200m to not less than DKK 1,350 - 1,450m
 - About DKK 60m was due to improved CR in Q3
 - Remainder of upgrade due to increase in investment income
- Due to higher than assumed investment income from 3 to 17 Nov 2006 further upgrading of post-tax profit forecast from not less than DKK 1,350m - 1,450m to DKK 1,450 - 1,550m
- Forecast corresponds to a post-tax ROE of 36%

Forecast assumptions for 2006 are based on equity prices at 17 November 2006

Upgrading of 2006 profit forecast (2/2)

The 2006 profit forecast in the Q3 report was based on a number of assumptions including

- A 7.0% return p.a. on the equity portfolios given the level of equity prices on 17 Nov 2006

	<u>17 Nov 2006</u>	<u>End 2006</u>
• OMCX20	400.60	441.48
• MSCI World	8,406	8,399

- DKK 60m equivalent to 50% of a normalised level of annual storm expenses as from 17 Nov and the remainder of Q4 2006
 - There were no significant storm claims in that period

Share buy-back corresponding to a "yield" of 11%

- Expected share buy-back for 2006 also upgraded in announcement No. 15/2006 by a minimum of DKK 200m
 - to at least DKK 1,550m
- Share buy-back for 2006 upgraded in line with profit forecast
 - to DKK 1,650m
- Share buy-back for 2006 corresponds to a "yield" of 11%
- As at 15 Dec 2006 DKK 1,348m shares bought back
- Proportion not bought back in 2006 of remaining DKK 302m shares to be added to ordinary programme for 2007
- Since 1998 Topdanmark has bought back 54.3% of the outstanding shares
 - Average price per share: DKK 255

www.topdanmark.com

- a source of up-to-date
information on Topdanmark

Disclaimer

This presentation includes statements relating to the future. Such statements are uncertain and involve both general and specific risks.

Many factors may cause a significant deviation from the forecasts set out in the presentation. Such factors could be, for example, cyclical movements, changes in the financial markets, the financial effect of non-anticipated events like acts of terror or exceptional weather conditions, changes in Danish and EU rules, competitive factors in the insurance industry and trend in reinsurance market. Also see “Risk factors” in the Q1 - Q3 2006 interim report.

The above description of potential risks is not exhaustive. Investors and others, who may base decisions relating to Topdanmark on statements relating to the future, should make their own careful considerations on these and other factors of uncertainty.

Topdanmark’s statements relating to the future are solely based on information known at the time of the preparation of the Q1 - Q3 2006 interim report.

This publication is a translation. In case of any divergence, the original Danish text shall prevail.

Appendix

Can profit be made on non-life insurance?

Assumptions:

- Shareholders' equity 33% of premium income
- Combined ratio 88
- Interest income on provisions (incl. discounting effect) equal to 1.0% of premium income
- ROE 5%

Return on operations:

• Income	100.0
• Interest income	<u>1.0</u>
	101.0
• Expenditure	<u>88.0</u>
	13.0 ~ ROE = 39.0%

ROE:

	<u>5.0%</u>
• ROE before taxation	44.0%

Effect of a 1 pp increase in interest rates

Immediate effect

DKKm	Post-tax
Revaluation of investment assets	(311)
Revaluation of claims provisions	259
Non-recurring effect of increase in interest rates	(52)

First year effect

DKKm	Post-tax
Excess return on interest-bearing assets	27
0.9 percentage point decline in loss ratio	67
One year's effect of increase in interest rates	94
Non-recurring effect of increase in interest rates	(52)
Total effect on results	42

Share buy-back model (1/2)

	DKKm	DKKm
2 x required solvency in non-life (premium based)	2,435	
1.5 x required solvency in life	1,293	
1 year's growth in required solvency	261	
0.3 x equity exposure (Group excl. life)	442	
1 x interest rate exposure (Group excl. life)	<u>52</u>	
		4,483
Financed by:		
subordinated loan capital, long-term loan capital or committed lines to parent company (20% of DKK 4,483m plus expected proceeds on redemption of warrants at strike price)		<u>(897)</u>
Total shareholders' equity		3,586

Share buy-back model (2/2)

DKKm

Shareholders' equity 1 Jan 2006		3,973	
Less: tax asset	(84)		
goodwill	(441)		
Value of own shares on exercise of share options	55		
Value of own shares to hedge warrant programme	<u>336</u>		
		<u>(134)</u>	
Capital cover		3,839	
Expected profit and movements in shareholders' equity after cash-impacting tax 2006 (average value)		<u>1,540</u>	
Expected capital cover 31 Dec			5,379
Reasonable level of capital cover 1 Jan 2006		3,586	
80% of 1 year's normal growth in reasonable level of capital cover		<u>160</u>	
Expected reasonable level of capital cover 31 Dec			<u>(3,746)</u>
Share buy-back potential 2006			1,633

Normalised return in life insurance

Assumptions:

- Solvency minimum: DKK 926m
- Minimum capital requirement: $120\% \times \text{solvency minimum} = \text{DKK } 1,111\text{m}$
- Investment return on shareholders' equity: 4.5%
- Risk and administrative result: 0.5% of premiums = DKK 16m
- Risk and administrative result in Link: 0.2% of savings
- Insurance technical result before bonus contribution being in profit
- Customers' savings :
 - Liv I : DKK 10.3bn
 - Liv V: DKK 8.0bn
 - Link: DKK 0.8bn

Normalised return in life insurance

(DKKm)

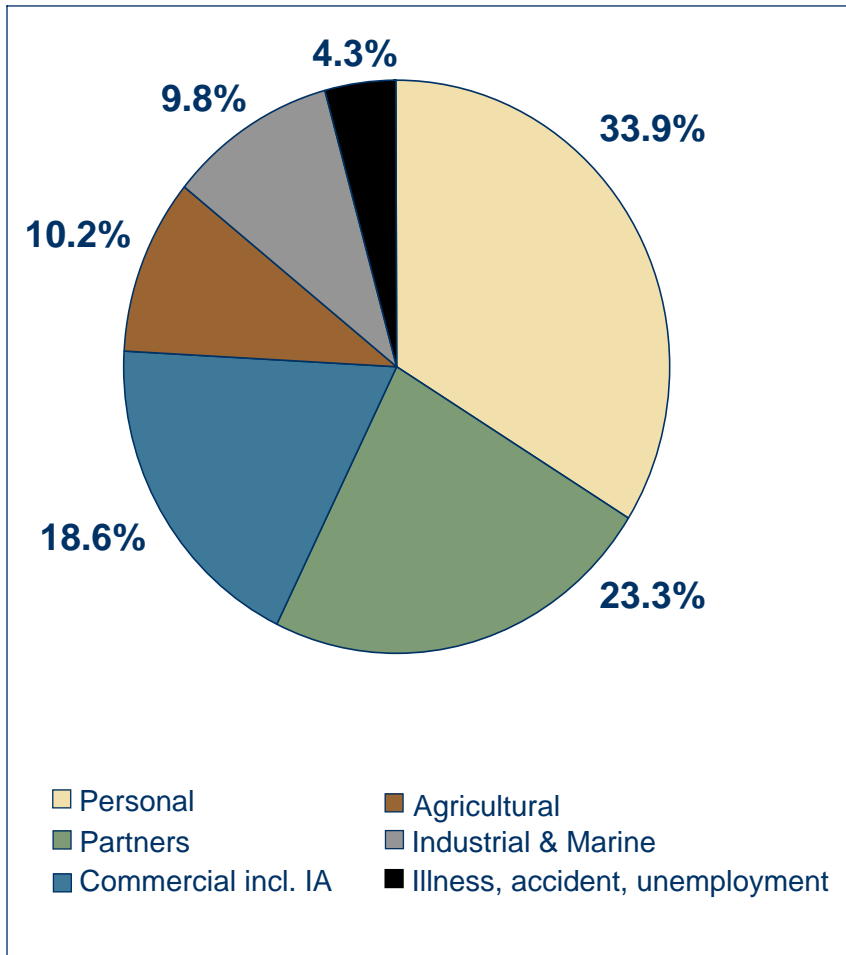
	Normalised		Actual
	Annual	Q1-Q3 2006	Q1-Q3 2006
Return on life insurance:			
Investment return on minimum capital required, 4.5%	50	37	39 ¹⁾
Risk allowance: 0.40% / 0.55% of customers' savings	85	64	62
25% of risk and administrative result	4	3	0
Result of Topdanmark Link	5	4	4
Pre-tax result	144	108	105
		~ ROE = 13.0%	

Other life-related result:

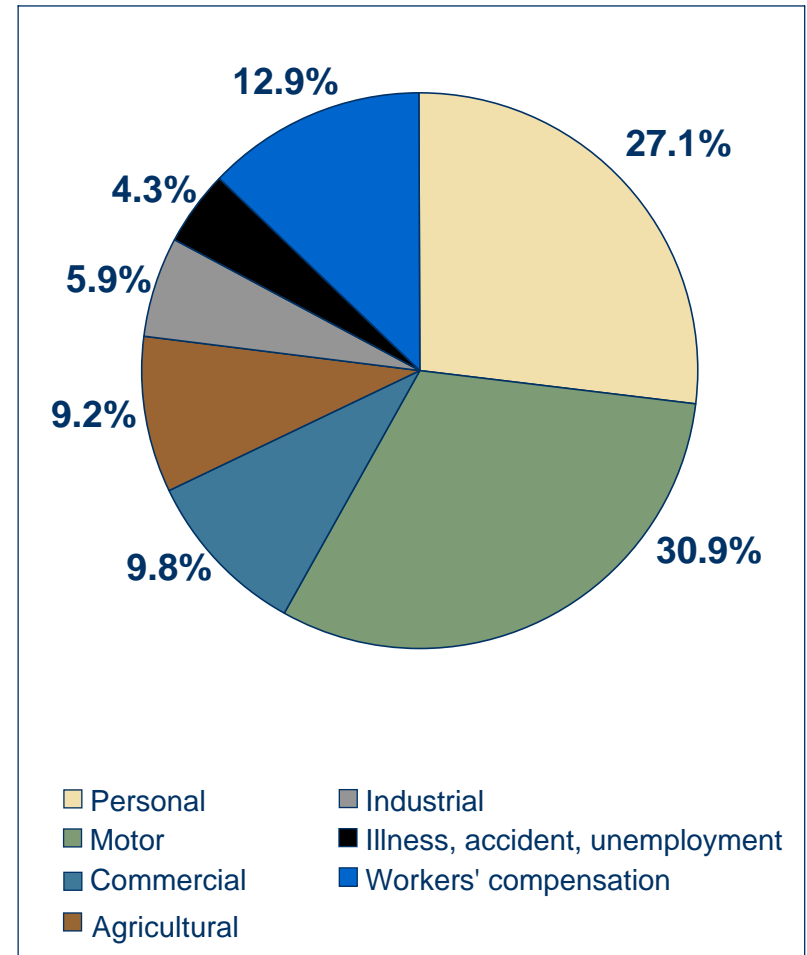
Life-related non-life (health and critical illness etc.)	25		
Asset management	18		
Other synergies in e.g. distribution	37		
Pre-tax result	80	80	
		224	~ ROE = 20.2%

¹⁾ Net of financing

Premiums by business sectors

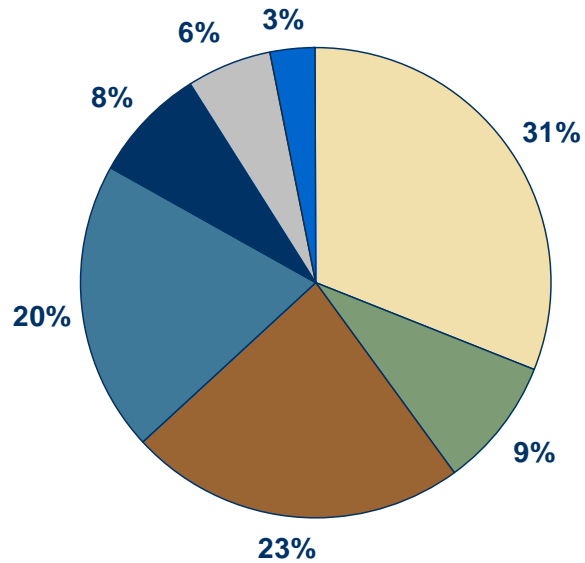


Premiums by products



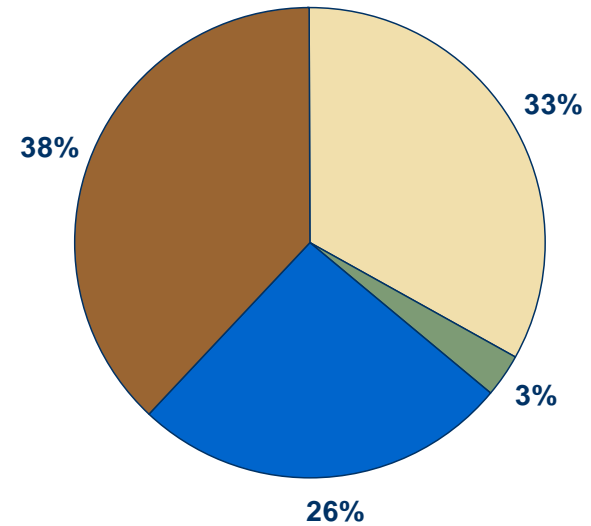
Distribution channels

Non-life 2005



- Certified insurance sales reps
- Danske Bank/BG Bank
- Others /Telephone sales etc.)
- Car dealers
- Sales centres
- Danica Pension
- Brokers

Life 2005



- Certified insurance sales reps
- Others (banks etc)
- Brokers
- Head office

Investment assets at 30 September 2006

(DKKm)	Group excl. life insurance	Life insurance group
Interest bearing investment assets	12,602	15,607
Equities	1,248	4,265
Index-linked bonds	0	1,422
Investment properties	277	2,301
Associated companies	35	447
Other	0	775
Investment assets	14,162	24,817
Intra-group balances	1,164	(1,164)
Investment assets corresponding to illness / accident provisions	823	(823)
Investments	16,149	22,830
Interest earned	179	239
Interest-bearing debt / derivatives	(731)	(772)
Net investment assets	15,597	22,297

Comparison of ratios for Q3 2006 (Danish insurance)

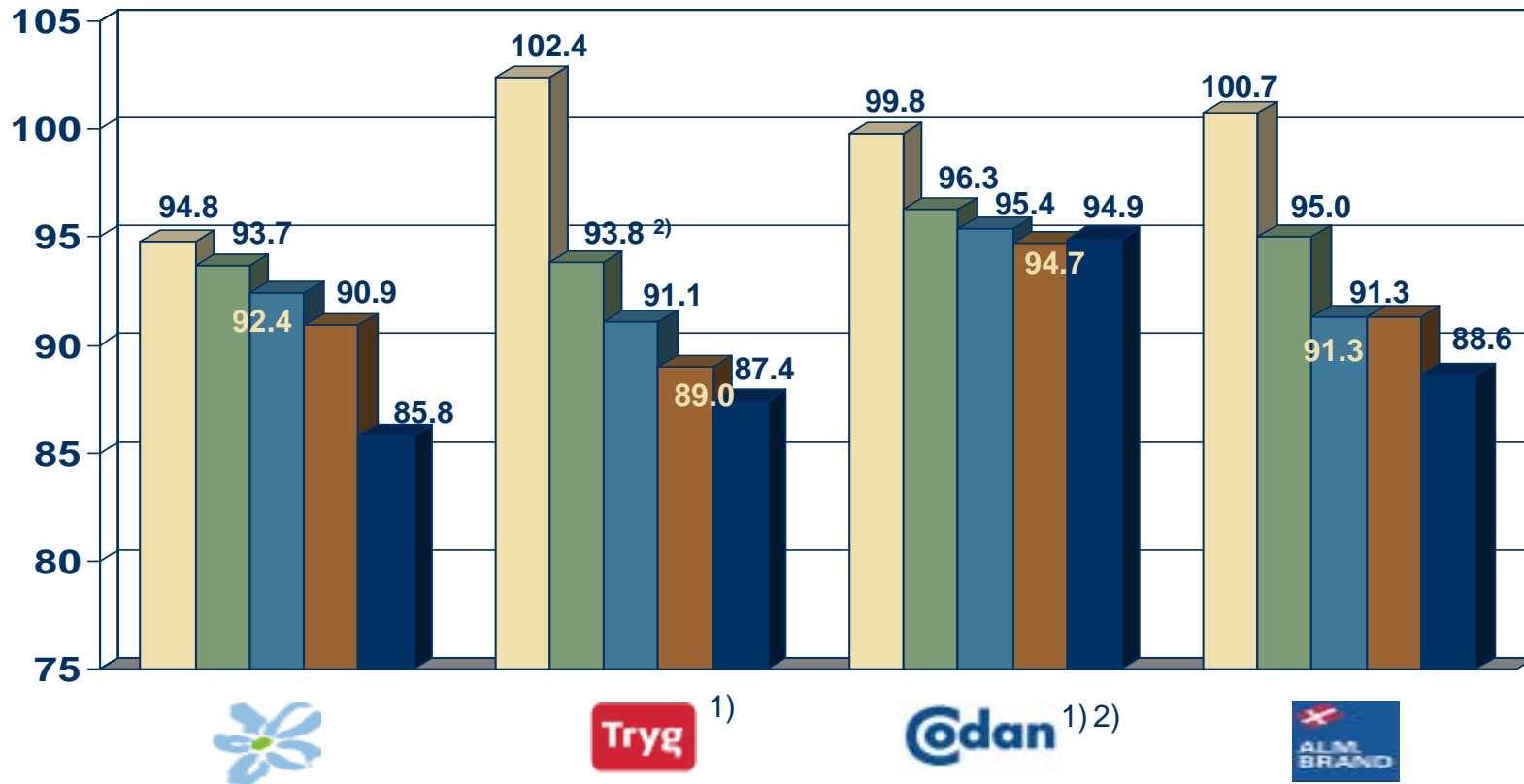
	Topdanmark ³⁾	Codan ^{1) 2)}	Tryg ¹⁾	Alm. Brand
Loss ratio	65.8	69.2	66.3	64.2
Net reinsurance	4.4	6.4	5.1	3.2
Claims trend	70.2	75.6	71.4	67.4
Expense ratio	14.4	19.9	16.6	18.4
Combined ratio	84.6	95.5	88.0	85.9

1) Rent from owner-occupied properties not included in expense and loss ratios

2) Excl. discounting of claims provisions

3) Excl. rent from owner-occupied properties, the CR would be 0.6 pp lower

Combined ratios at a group level

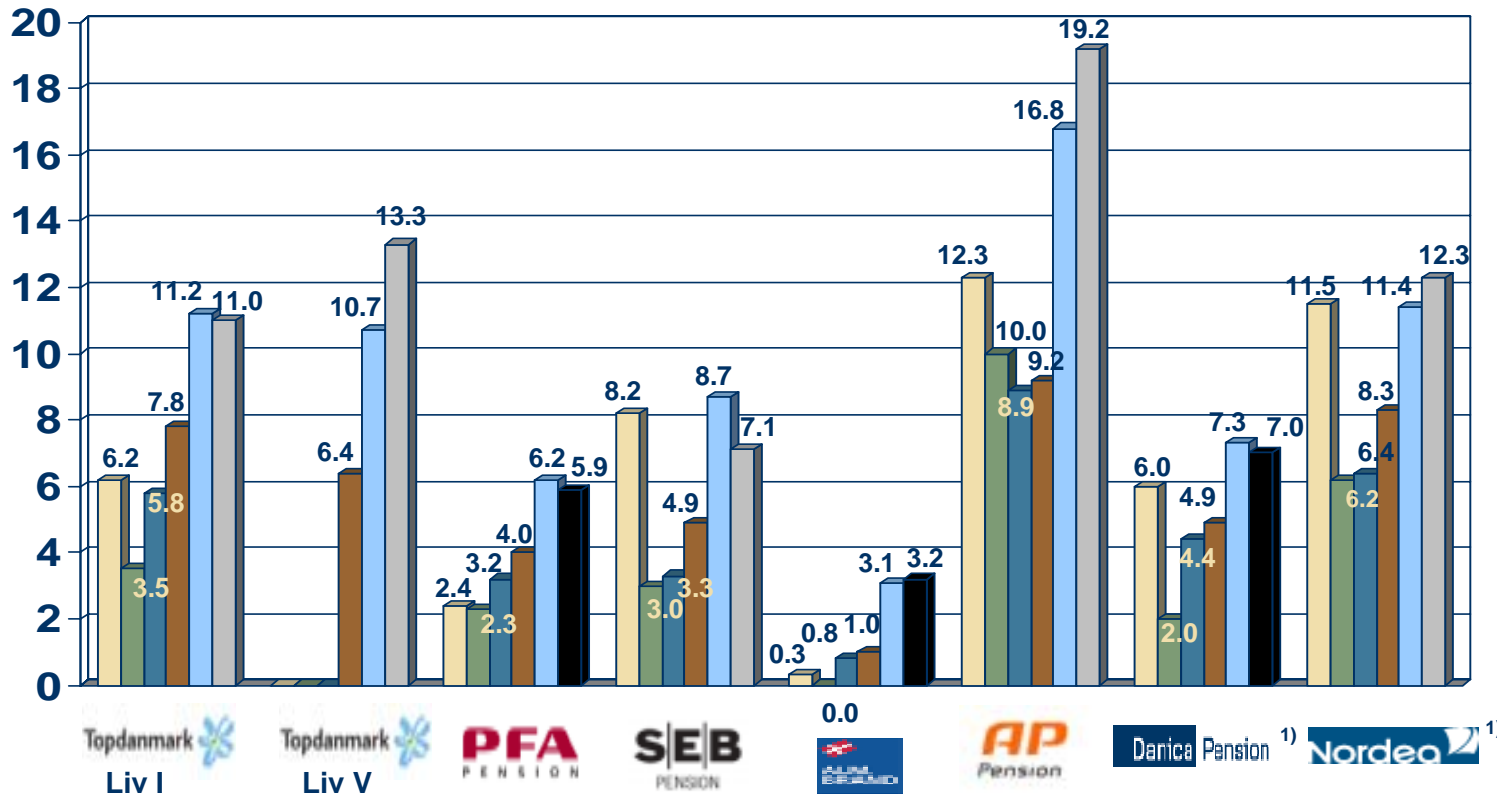


1) Rent from owner-occupied properties not included in expense and loss ratios

2) Excl. discounting of claims provisions



Comparison of bonus ratios



1) Adjusted for shadow account

